

NARBHA
STATEMENT OF FINANCIAL POSITION
AS OF: September 30, 2005

ASSETS

CURRENT ASSETS

101 Cash (Disclose on Schedule A)	\$6,675,217
102 Current Investments	
103 Accounts Receivable (net) (Disclose on Schedule A)	\$7,874,706
104 Notes Receivable (current portion)	\$300,000
105 Prepaid Expenses	\$307,828
106 Other Current Assets (Disclose on Schedule A)	\$4,248
107 Total Current Assets	<u>\$15,161,999</u>

NON-CURRENT ASSETS

108 Land	1,061,377
109 Building	3,343,854
110 Leasehold Improvements	-
111 Furniture and Equipment	1,638,604
112 Vehicles	162,195
113 Total Property and Equipment	<u>\$6,206,030</u>
114 Less: Accumulated Depreciation	1,605,856
115 Net Property and Equipment	<u>\$4,600,174</u>
116 Notes Receivable (net of current portion)	\$175,000
117 Performance Bond (Disclose on Schedule A)	
118 Long Term Investments	
119 Deposits	
120 Other Noncurrent Assets (Disclose on Schedule A)	-
121 Total Noncurrent Assets	<u>\$4,775,174</u>
122 TOTAL ASSETS	<u><u>\$19,937,173</u></u>

LIABILITIES AND NET ASSETS/EQUITY

CURRENT LIABILITIES

201 Incurred But Not Reported Claims (Disclose on Sch. A)	\$645,726
202 Reported But Unpaid Claims	-
203 Payable to ADHS (Disclose on Schedule A)	\$128,822
204 Other Amounts Payable to Providers	3,759,826
205 Trade Accounts Payable	286,100
206 Accrued Salaries and Benefits	242,655
207 Long-term Debt (current portion)	144,933
208 Deferred Revenue (Disclose on Schedule A)	\$69,686
209 Risk Pool Payable	
210 Other Current Liabilities (Disclose on Schedule A)	\$178,540
211 Total Current Liabilities	<u>\$5,456,287</u>

NON-CURRENT LIABILITIES

212 Long-term debt (net of current portion)	2,175,599
213 Loss Contingencies (Disclosed on Schedule A)	\$0
214 Other Noncurrent Liabilities (Disclose on Schedule A)	\$0
215 Total Noncurrent Liabilities	<u>\$2,175,599</u>
216 TOTAL LIABILITIES	<u>\$7,631,886</u>
217 NET ASSETS/EQUITY	
Unrestricted Net Assets	12,305,287
Restricted Net Assets (Disclose on Schedule A)	\$0

218 TOTAL LIABILITIES AND NET ASSETS/EQUITY	<u><u>\$19,937,173</u></u>
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NARBHA
STATEMENT OF FINANCIAL POSITION
AS OF:
Schedule A Disclosures

September 30, 2005

ASSETS:

Cash

Unrestricted	6,675,217
Restricted	

Total Cash	<u>\$6,675,217</u>
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Accounts Receivable

ADHS

Current Year	Program ID	Category ID	
	TXIX Child		\$1,242,854
	TXXI Child		\$53,909
	NTXIX/XXI Child		\$9,769
	NTXIX/XXI Child	SIG Grant	\$99,547
	TXIX SMI		\$2,586,459
	NTXIX/XXI SMI		\$850,248
	TXIX GMHSA		\$1,072,881
	Substance Abuse		\$166,751
	Prevention Intervention		\$21,136
	ADHS DOC	COOL	\$35,789
Prior Year	Select Program		-

Non-ADHS &/or Unrelated Business

Current Year	Billings to SAA for ins, etc	1,574,187
	Miscellaneous receivables	123,556
	DES RSA Grant	37,620
Prior Year		-

Allowance for Doubtful Accounts

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Total Accounts Receivable	<u>\$7,874,706</u>
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Other Current Assets (Detail of Line 106)

ST. Comp Deposit	\$4,248
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Total Other Current Assets	<u>\$4,248</u>
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Other Noncurrent Assets (Detail of Line 120)

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Total Other Noncurrent Assets	<u>-</u>
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PERFORMANCE BOND:

A surety bond for \$ 8,238,106 was purchased from Fidelity and Deposit Company of Maryland

Adjustments:

None

Payables to ADHS - Other* Category

Disclose items recorded as "Other" in the category for Payable to ADHS Section

The amount of \$128,822 is unexpended COOL monies from FY03-04 that need

Explain ≥10% fluctuation in account from prior period

Increase in cash due to the sale of land and building
Increase in Accounts Receivable due to adj to TXIX & TXXI monies from ADHS rec'd in Oct
Decrease in Land due to sale of land
Decrease in building assets due to sale of building
Decrease in notes receivable due to payments received
Increase in IBNR due to more services being provided for Therapeutic Foster Care and Respite and claims submission are also lagging
Increase in Accounts Payable due to timing of payments at month end.
Decrease in Deferred Revenue due to SIG Grant monies and SA flex funds being earned.

LIABILITIES:

IBNR Claims Estimate

Current Year	
FY 06	\$436,900

Prior Year(s)	
FY 05	208,826

Total IBNR	<u>\$645,726</u>
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Payable to ADHS (Detail of Line 203)

Current Year	Program ID	Category ID	
	Select Program	Select Category	
Prior Year			
	ADHS DOC	Other*	\$128,822

Total Payable to ADHS	<u>\$128,822</u>
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Deferred Revenue from: (Detail of Line 208)

Current Year	Program ID	Category ID	
	TXIX SMI	Recovery	\$3,145
			\$0
Prior Year			
	HB2003 Child	Coaching & Training	\$34,434
	HB2003 Child	Services	\$32,107

Non-ADHS &/or Unrelated Business

Current Year	
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Prior Year	
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Total Deferred Revenue	<u>\$69,686</u>
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Other Current Liabilities (Detail of Line 210)

Reserve for Dental & FSA claims	\$93,871
Payable for insurance contract	83,919
Escrow Deposit	750

Total Other Current Liabilities	<u>\$178,540</u>
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Loss Contingencies (Detail of Line 213)

Identify Loss Contingencies

Total Loss Contingencies	<u>\$0</u>
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Total Other Noncurrent Liabilities	<u>\$0</u>
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Restricted Net Assets (Detail of Line 217)

Identify Restricted Net Assets	
Total Restricted Net Assets	<u>\$0</u>

Increase in other Amounts Payable to Providers is due to NARBHA having established several pools for purchase of services in FY06 for which prmts have not been made, or in some cases providers have not yet begun work. Anticipate that these funds will be pd out in FY06.

NARBHA

STATEMENT OF CHANGES IN NET ASSETS / EQUITY

AS OF : September 30, 2005

		Net Assets /	
		Retained	
		Earnings	Total
Beginning Balance:	July 1, 2005	11,548,023	11,548,023
* Net Surplus / Net Earning for the period ended:	September 30, 2005	757,264	757,264
Dividends Declared			-
** Prior Period Adjustments			-
Ending Balance:	September 30, 2005		-
		\$ -	\$ -
		\$ 12,305,287	\$ 12,305,287

* Net of dividends declared

** Disclosure of Prior Period Adjustments

		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
REVENUES																								
401	Revenue Under ADHS Contract																							
a	ADHS Revenue	3,890,999	2,236,296	473,496	561,391	175,731	925	8,576,894	284,293	2,355,931	62,142	6,028	0	3,559,058	25,770	74,227	1,203,093	250,163	1,500	35,789	0	23,773,725		23,773,725
b	ADHS Revenue - Qualifying Incentive Payments																					0		0
402	Specialty & Other Grants*																				37,820	37,827		37,827
403	Client Fees (Co-pays)									207												0		0
404	Third Party Recoveries																							
a	Medicare																					0		0
b	Other Insurance																					0		0
405	Interest Income																					0	45,499	45,499
406	Other Funding Sources - Non ADHS*																				0	0	396,437	396,437
407	Unrelated Business Activities*															0	0	20,000				20,000	175,000	195,000
408	TOTAL REVENUE	3,890,999	2,236,296	473,496	561,391	175,731	925	8,576,894	284,293	2,356,138	62,142	6,028	0	3,559,058	25,770	74,227	1,203,093	270,163	1,500	35,789	37,820	23,831,552	616,936	24,448,488
EXPENSES																								
Service Expenses:																								
501	Treatment Services																							
a	Counseling																							
1	Counseling, Individual	272,493	106,469	9,788	32,995	12,612		220,856	4,666	55,264	14,579	957		240,323	1,178	3,475	37,176					1,012,832		1,012,832
2	Counseling, Family	204,552	87,400	8,434	20,372	10,278		11,110	1,738	2,365	0	0		15,179	0	74	4,446					365,947		365,947
3	Counseling, Group	81,672	21,120	5,519	14,661	2,493		79,119	0	16,564	0	0		312,430	666	1,729	236,556					772,529		772,529
b	Counseling, Assessment & Specialized Testing	257,983	44,786	4,683	31,603	6,756		89,017	92	17,176	413	191		290,512	1,454	2,840	93,402					840,907		840,907
c	Other Professional	0	0	0	0	0		0	0	0	0	0		0	0	0	0					0		0
d	Total Treatment Services	816,700	259,775	28,424	99,631	32,139	0	400,101	6,496	91,369	14,992	1,148	0	858,444	3,298	8,117	371,580	0	0	0	0	2,992,215	0	2,992,215
502	Rehabilitation Services																							
a	Living Skills Training	172,721	58,182	5,176	22,231	5,697		427,643	8,914	43,974	0	0		35,009	119	431	7,407					787,505		787,505
b	Cognitive Rehabilitation	0	0	0	0	0		0	0	0	0	0		0	0	0	0					0		0
c	Health Promotion	1,304	242	0	1,780	61		54,073	944	8,874	0	0		13,522	141	171	34,504					115,616		115,616
d	Supported Employment Services	2,332	0	0	0	0		94,966	6,607	14,033	0	0		6,183	13	7	0					124,140		124,140
e	Total Rehabilitation Services	176,357	58,424	5,176	24,011	5,758	0	576,682	16,465	66,881	0	0	0	54,714	273	608	41,912	0	0	0	0	1,027,261	0	1,027,261
503	Medical Services																							
a	Medication Services	21	0	0	0	0		16,834	1,700	2,650	0	0		86,200	0	0	6,174					113,578		113,578
b	Medical Management	211,882	35,573	31,582	7,758	8,010		271,426	5,799	55,120	13,026	865		204,654	1,262	2,600	14,037					863,594		863,594
c	Laboratory, Radiology & Medical Imagin	8,775	394	307	431	206		16,609	0	5,536	0	0		8,252	17	271	237					41,036		41,036
d	Electro-Convulsive Therapy	0	0	0	0	0		0	0	0	0	0		0	0	0	0					0		0
e	Total Medical Services	220,678	35,967	31,889	8,189	8,216	0	304,870	7,499	63,306	13,026	865	0	299,106	1,279	2,871	20,448	0	0	0	0	1,018,208	0	1,018,208
504	Support Services																							
a	Case Management	996,811	525,056	136,394	101,448	30,647		1,725,717	49,861	352,165	22,675	1,825		724,215	2,742	10,928	105,992					4,786,478		4,786,478
b	Personal Assistance	884	262	0	1,255	0		21,622	0	1,033	0	0		81,063	86	17	62,766					168,987		168,987
c	Family Support	38,686	27,345	6,443	1,586	608		608	0	66	0	0		1,188	0	82	0					77,380		77,380
d	Peer Support	355	0	0	0	0		691	0	0	0	0		2,321	0	0	1,114					4,482		4,482
e	Therapeutic Foster Care Services	21,076	256,868	0	9,308	6,567		0	0	0	0	0		0	0	0	0					293,819		293,819
f	Respite Care	141,048	31,703	0	0	10,000		0	0	0	0	0		0	0	0	0					182,751		182,751
g	Housing Support	0	0	0	0	0		5,339	0	0	0	0		1,425	0	0	212					6,977		6,977
h	Interpreter Services	628	244	0	475	0		0	0	0	0	0		278	0	0	156					1,781		1,781
i	Flex Fund Services	0	0	0	1,691	0		0	0	0	0	0		0	0	0	72,898					74,589		74,589
j	Transportation	94,764	31,295	6,292	14,184	2,730		217,103	2,523	31,761	0	88		96,479	10	630	8,545					506,405		506,405
k	Block Purchase NTXX Consumer Drop In Cente	0	0	0	0	0		0	0	0	0	0		0	0	0	0					0		0
l	Total Support Services	1,294,252	872,773	149,129	129,947	50,552	0	1,971,241	52,992	385,024	22,675	1,913	0	906,969	2,839	11,658	251,684	0	0	0	0	6,103,649	0	6,103,649
505	Crisis Intervention Services																							
a	Crisis Intervention - Mobile	9,160	8,287	692	4,448	0		32,688	91	6,473	0	200		17,469	51	1,525	5,632					86,717		86,717
b	Crisis Services	0	0	0	0	0		7,102	0	1,941	0	0		0	0	0	0					9,044		9,044
c	Crisis Phones	13,501	0	0	4,338	1,654		15,941	0	3,834	0	0		10,861	0	4,725	476					55,330		55,330
d	Total Crisis Intervention Services	22,661	8,287	692	8,786	1,654	0	55,731	91	12,249	0	200	0	28,330	51	6,250	6,108	0	0	0	0	151,091	0	151,091
506	Inpatient Services																							
a	Hospital																							
1	Psychiatric (Provider Types 02 & 71	9,103	0	46,622	0	1,626		330,742	10,000	134,288	0	0		141,129	0	0	0					673,510		673,510
2	Detoxification (Provider Types 02 & 71	0	0	0	0	0		0	0	1,276	0	0		0	0	0	0					1,276		1,276
b	Sub acute Facility																							
1	Psychiatric (Provider Types B5 & B6	0	0	0	0	0		1,000,646	36,952	518,222	0	0		280,460	1,578	0	111,321					1,949,179		1,949,179
2	Detoxification (Provider Types B5 & B6)	0	0	0	0	0		0	0	56,411	0	0		195,153	0	0	0					251,564		251,564
c	Residential Treatment Center (RTC)																							
1	Psychiatric - Secure & Non-Secure Provider Types	325,386	82,803	10,700	21,989	16,728		0	30,000	0	0	0		0	0	0	0					487,606		487,606
2	Detoxification - Secure & Non-Secure (Provider Type	0	0	0	0	0		0	0	0	0	0		0	0	0	0					0		0
d	Inpatient Services, Professional	10,781	686	0	3,788	0		110,903	2,860	27,541	0	0		27,978	0	2,085	15,165					201,786		201,786
e	Total Inpatient Services	345,270	83,489	57,322	25,777	18,354	0	1,442,291	79,812	737,738	0	0	0	644,720	1,578	2,085	126,486	0	0	0	0	3,564,921	0	3,564,921
507	Residential Services																							
a	Level II Behavioral Health Residential Faciliti	239,912	659,156	61,975	40,621	0		559,317	0	30,871	0	0		165,764	0	3,764	204,768					1,966,148		1,966,148
b	Level III Behavioral Health Residential Faciliti	0	0	0	0	0		10,549	0	0	0	0		0	0	0	0					10,549		10,549
c	Room and Board	20,551	13,672	11,039	23	832		52,237	0	3,530	0	0		25,987	10	156	4,418					132,455		132,455
d	Total Residential Services	260,463	672,828	73,014	40,644	832	0	622,103	0	34,400	0	0	0	191,751	10	3,920	209,186	0	0	0	0	2,109,152	0	2,109,152
508	Behavioral Health Day Program																							
a	Supervised Day Program	0	0	0	0	0		375	0	171	0	0		420	0	0	0							

*DISCLOSE ON SCHEDULE A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Administrative Expenses:																							
601 Salaries	126,828	70,937	16,138	15,790	5,739	0	274,507	10,535	77,555	2,073	447	0	113,047	865	6,272	37,968	15,662	0	2,563	0	776,926	0	776,926
602 Employee Benefits	33,304	18,814	4,283	3,956	1,492	0	71,902	2,803	20,242	547	112	0	29,489	222	1,676	9,961	4,334	0	558	0	203,695	0	203,695
603 Professional & Outside Services	3,008	2,081	316	5,808	111	0	6,163	192	1,607	26	4	0	2,547	11	164	908	1,543	0	(10)	0	24,479	0	24,479
604 Travel	3,301	1,904	382	794	148	0	6,402	219	2,130	57	15	0	4,118	21	160	1,208	3,055	0	26	0	23,940	0	23,940
605 Occupancy	6,541	3,896	776	1,112	286	0	14,052	468	3,915	97	11	0	5,903	41	374	3,406	390	0	(17)	0	41,251	0	41,251
606 Depreciation	14,074	8,228	1,694	1,369	627	0	30,349	1,021	8,514	213	23	0	12,791	91	809	4,390	853	0	(38)	0	85,008	0	85,008
607 All Other Operating*	37,208	21,341	4,345	7,202	1,686	0	79,522	2,713	19,570	532	151	0	33,476	251	1,839	10,013	3,342	0	20	0	223,211	0	223,211
608 Subtotal ADHS Administrative Expenses	224,264	127,201	27,934	36,031	10,089	0	482,897	17,951	133,533	3,545	763	0	201,371	1,502	11,294	67,854	29,179	0	3,102	0	1,378,510	0	1,378,510
650 Non ADHS Administrative Expenses*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,969	7,969	41,156	49,125
651 Unrelated Admin. Expense*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	180,861	180,861
652 Subtotal Administrative Expense	224,264	127,201	27,934	36,031	10,089	0	482,897	17,951	133,533	3,545	763	0	201,371	1,502	11,294	67,854	29,179	0	3,102	7,969	1,386,479	222,017	1,608,496
701 Unrelated Business Expenses*															0	0	20,000				20,000	0	20,000
790 Income Tax Provisions																							
a ADHS Income Tax Provision																						0	0
b Non ADHS Income Tax Provision																						0	0
799 Subtotal Income Tax Provision	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
800 TOTAL EXPENSES	3,829,153	2,199,595	465,864	561,214	172,857	1,271	7,644,209	280,698	2,312,717	61,026	6,286	0	4,276,951	25,338	82,413	1,181,857	289,005	1,500	36,867	40,386	23,469,207	222,017	23,691,224
801 INC(DEC) IN NET ASSETS/EQUITY	61,846	36,701	7,632	177	2,874	(346)	932,685	3,595	43,421	1,116	(258)	0	(717,893)	432	(8,186)	21,236	(18,842)	0	(1,078)	(2,766)	362,345	394,919	757,264

*Disclose on Schedule A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL																
DISCLOSURE OF OTHER ADHS REVENUE Itemization of Items Reported In Other Column																																					\$0		\$0
Total Other - Other Column																																				\$0	\$0		\$0
DISCLOSURE OF OTHER GRANTS REPORTED ON LINE 402 Itemization of Items Reported on Line 402 DES/RSA Grant Co-occurring Grant from prior year																																				37,620	37,620		37,620
Total Other Grants	0	0	0	0	0	0	0	0	207	207	0	0	0	0	0	0	0	0	0	0	37,620	207	37,827	0	37,827														
DISCLOSURE OF OTHER REVENUE REPORTED ON LINE 406 Itemization of Items Reported on Line 406 Sanction fees Assessed SAA Greater Ariz Telemed Consortiun Gain on sale of land held for investment Gain on sale of Elm Ave. Property Sale of Non Capitalized Assets other misc																																				0	0	7,457	7,457
Total Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	396,437		396,437														
UNRELATED BUSINESS ACTIVITIES REPORTED ON LINE 407 Itemization of Items Reported on Line 407 Provider Support Payment of SAPT funds for Hopi Nation																																0	20,000				20,000	175,000	175,000
Total Unrelated Business Activities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,000	20,000	0	0	0	20,000	175,000		195,000														
DISCLOSURE OF ALL OTHER BEHAVIORAL HEALTH SERVICES ON LINE 511 SMI Homeless Substance Abuse - Rural Detox PASRR Children HB 2003 Training and Coaching Family Leadership Committee Suicide Prevention Recovery CMHS/CA-SIG Co-Occuring Training COOL Liaison Video-conferencing svcs allocated to programs																					27,642															27,642		27,642	
Total All Other Behavioral Health Services	7,207	4,088	898	714	324	0	15,518	577	4,291	0	25	0	6,471	0	363	2,181	862	0	8,790	0	0	348,935	0		348,935														
DISCLOSURE OF SERVICES EXPENSES FROM NON ADHS SOURCES ON LINE 520 Itemization of Items Reported on Line 520 DES/RSA Grants																																				32,417	32,417	0	32,417
Total Service Expenses Non-ADHS Sources	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	32,417	32,417	0	32,417															
DISCLOSURE OF ALL OTHER OPERATING ON LINE 607 Itemization of Items Reported on Line 607 Supplies, computer/tele-med maint, printing phone, recruiting, insurance, surety bond, etc Sanctions assessed by ADHS	37,208	21,341	4,345	7,202	1,686	0	79,522	2,713	19,570	532	151	0	33,476	251	1,839	10,013	3,342	0	20	0	223,211	0		223,211															
Total All Other Operating	37,208	21,341	4,345	7,202	1,686	0	79,522	2,713	19,570	532	151	0	33,476	251	1,839	10,013	3,342	0	20	0	223,211	0		223,211															
DISCLOSURE OF NON-ADHS ADMINISTRATIVE EXPENSES ON LINE 650 Itemization of Items Reported on Line 650 Interest/penalties Other Telemed expenses DES/RSA Grants																																				0	32,623	32,623	
Total Non-ADHS Admin. Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,969	7,969	0		7,969															
DISCLOSURE OF UNRELATED ADMINISTRATIVE EXPENSES ON LINE 651 Itemization of Items Reported on Line 651 Provider Support																																				0	180,861	180,861	
Total Unrelated Administrative Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	180,861		180,861														
DISCLOSURE OF UNRELATED BUSINESS EXPENSES LINE 701 Itemization of Items Reported on Line 701 Payment of SAPT funds to Hopi Nation																															0	20,000			0	20,000	0	20,000	
Total Unrelated Business Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,000	20,000	0	0	0	20,000	0		20,000														

NARBHA**STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

September 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES:

Changes in Net Assets	757,263
Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	(266,106)
Changes in Operating Assets and Liabilities	
(Increases)/Decreases in Assets:	
Current Investments	
Receivables	(5,851,638)
Inventory & Prepaid Expenses	50,570
Interest Receivable	
Deposits	
Other	(843)
Increases/(Decreases) in Liabilities:	
IBNR	108,727
RBUC	
Accounts Payable to ADHS	
Accounts Payable to Providers	163,922
Interest Payable	-
Trade Accounts Payable	(176,952)
Accrued Salaries & Benefits	(560)
Unearned Revenue	(96,796)
Other Current Liabilities	98,118

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<hr/> (5,214,295)
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sale of Property & Equipment	229,669
Purchases of Property & Equipment	623,149
Proceeds from Sales of Investments	163,964
Purchase of Investments	-

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<hr/> 1,016,782
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CASH FLOWS FROM FINANCING ACTIVITIES:

Acquisition of Debt (Describe on Schedule A)	
Payment of Lease Obligations	(3,547)
Payment of Other Debts (Describe on Schedule A)	(32,514)

NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<hr/> (36,061)
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NET INCREASE/(DECREASE) IN CASH	(4,233,574)
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BEGINNING CASH	<hr/> \$10,908,790
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ENDING CASH BALANCE *	<hr/> <hr/> 6,675,216
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***NOTE: ENDING CASH BALANCE MUST AGREE WITH TOTAL CASH BALANCE ON BALANCE SHEET**

NARBHA**STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

September 30, 2005

Schedule A Disclosure**Describe:**

1. Sources and amounts of cash received for other grants.

DES/RSA Grant	\$	14,629
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2. Underlying transactions for acquisition of debt.

(Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)

3. Underlying transactions for retirement of debt.

(Debtor, amount paid off.)

4. Cash Flows From Financing Activities - Payment of Other Debt

Xerox - payments of leases	\$	3,547
Compass Bank - payment of mortgage	\$	32,513

5. Supplemental data or non-cash investing and financing activities, gifts, etc.

6. Detail of Depreciation:

Depreciation expense	96,286
Gain on the Sale of Property	<u>(362,392)</u>
Net	<u><u>(266,106)</u></u>

Since the Gain is an "adjustment to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities" it is netted with Depreciation since a line cannot be added to the Statement of Cash Flows.